



# House Interim Workgroup on Affordable Housing

September 20, 2006



**Agenda**  
**House Interim Workgroup on Affordable Housing**  
**Wednesday September 20, 2006**  
**306 House Office Building**

- I. 10:00 - 10:15 -- Opening Comments by Chair Mike Davis
  - II. 10:15 - 10:45 -- "Florida's Housing Market and Challenges" - Presented by Amy Baker, Coordinator, Legislative Office of Economic and Demographic Research
  - III. 10:45 - 11:45 -- "Florida's Affordable Housing Programs" - Presented by staff from the Florida Housing Finance Corporation
  - IV. 11:45 - Noon -- "History of State Funding for Affordable Housing" -- Presented by Jose Diez-Arguelles, Staff Director, House Committee on Finance & Tax
- Noon - 1:30 -- **Lunch Break**
- V. 1:30 - 1:45 -- "The Florida Affordable Housing Study Commission's 2006 Final Report: A Preservation Strategy for Florida's Affordable Multifamily Housing" -- Presented by Nancy Muller, Policy Director, Florida Housing Finance Corporation
  - VI. 1:45 - 2:00 -- Florida League of Cities
  - VII. 2:00 - 2:15 -- Florida Association of Counties
  - VIII. 2:15 - 2:30 -- The Sadowski Coalition -- Represented by Mark Hendrickson
  - IX. 2:30 - 2:45 -- The Florida Chamber of Commerce
  - X. 2:45 - 4:00 -- Member discussion of issues to be addressed, workplan, and future meetings.







# Florida's Real Estate Market The Challenges

Presented to the House Interim Workgroup on Affordable Housing  
September 20, 2006

Legislative Office of Economic and Demographic Research



# Real Estate Market Conditions

- **Builder Confidence**
- **Existing Home Sales**
- **New Home Sales**
- **Permits/starts and new construction**
- **Sale Prices**
- **Rate of Price Appreciation**

**Unsold Inventories  
&  
Interest Rates**



# Market Stagnation

- The real estate market has already weakened and will weaken further in the months ahead (through 2007).
- Existing home sales are forecast to fall 7.6% this year.
- New-home sales should drop 16.1% this year.
- The 30-year, fixed-rate mortgage is likely to rise to an average of 6.7% in the fourth quarter, according to the Realtors® forecast.
- The Florida forecast is for a soft landing, reflected in weak home prices and even weaker measures of housing activity.

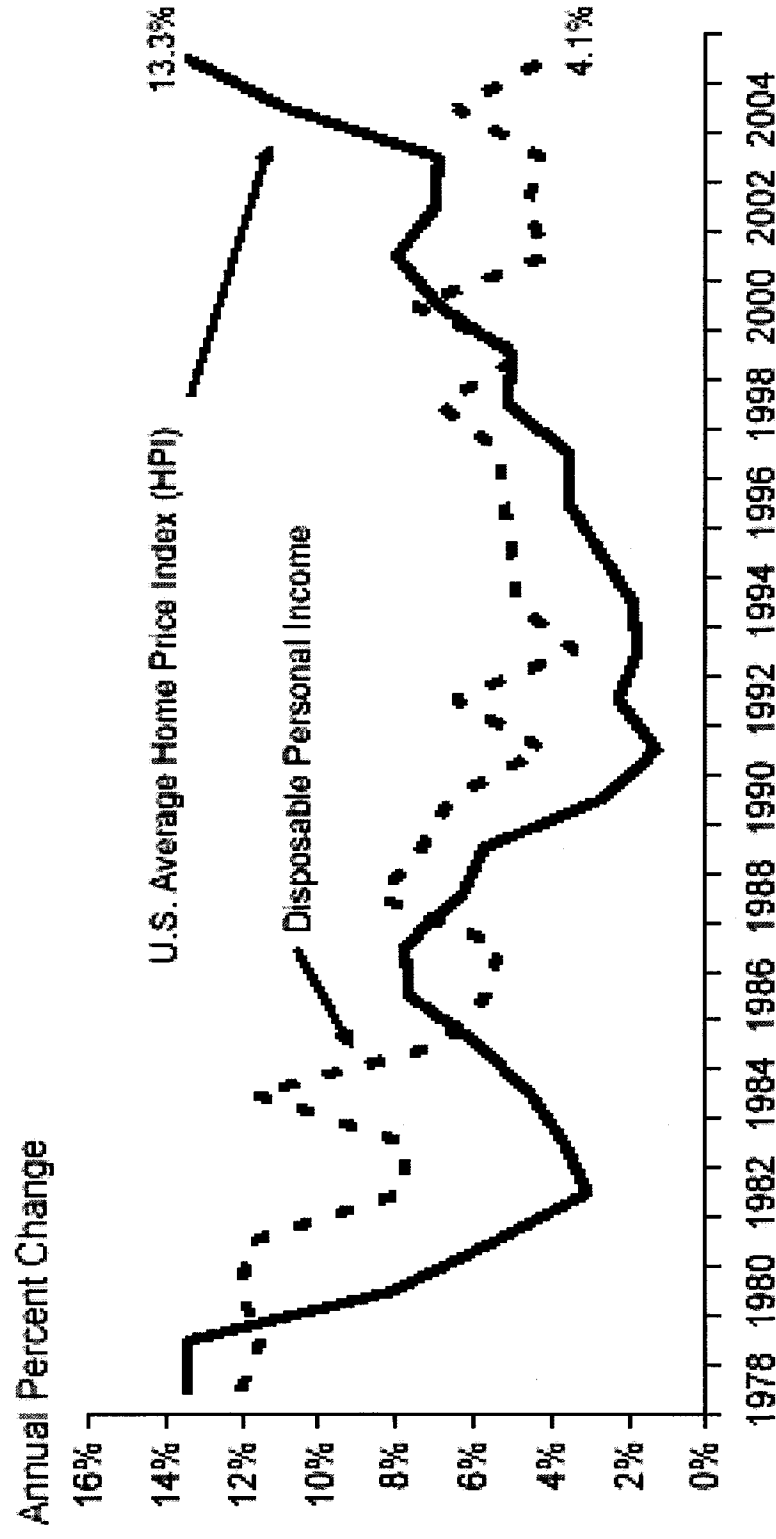


# Price Appreciation

- Over the long-run, home prices grow at the pace of inflation, plus one or two percentage points.
- According to OFHEO, the second quarter of this year had the lowest rate of quarter-to-quarter appreciation since the fourth quarter of 1999. And the decline in appreciation over the past year is the sharpest since the beginning of the House Price Index in 1975.
- According to the National Association of Realtors, the national median existing-home price for all housing types is expected to grow 2.8% this year, to \$225,900, with the median new-home price rising only 0.2% to \$241,400



# Home Price Increases Outpaced Gains in Income



Source: OFHEO, Bureau of Economic Analysis.



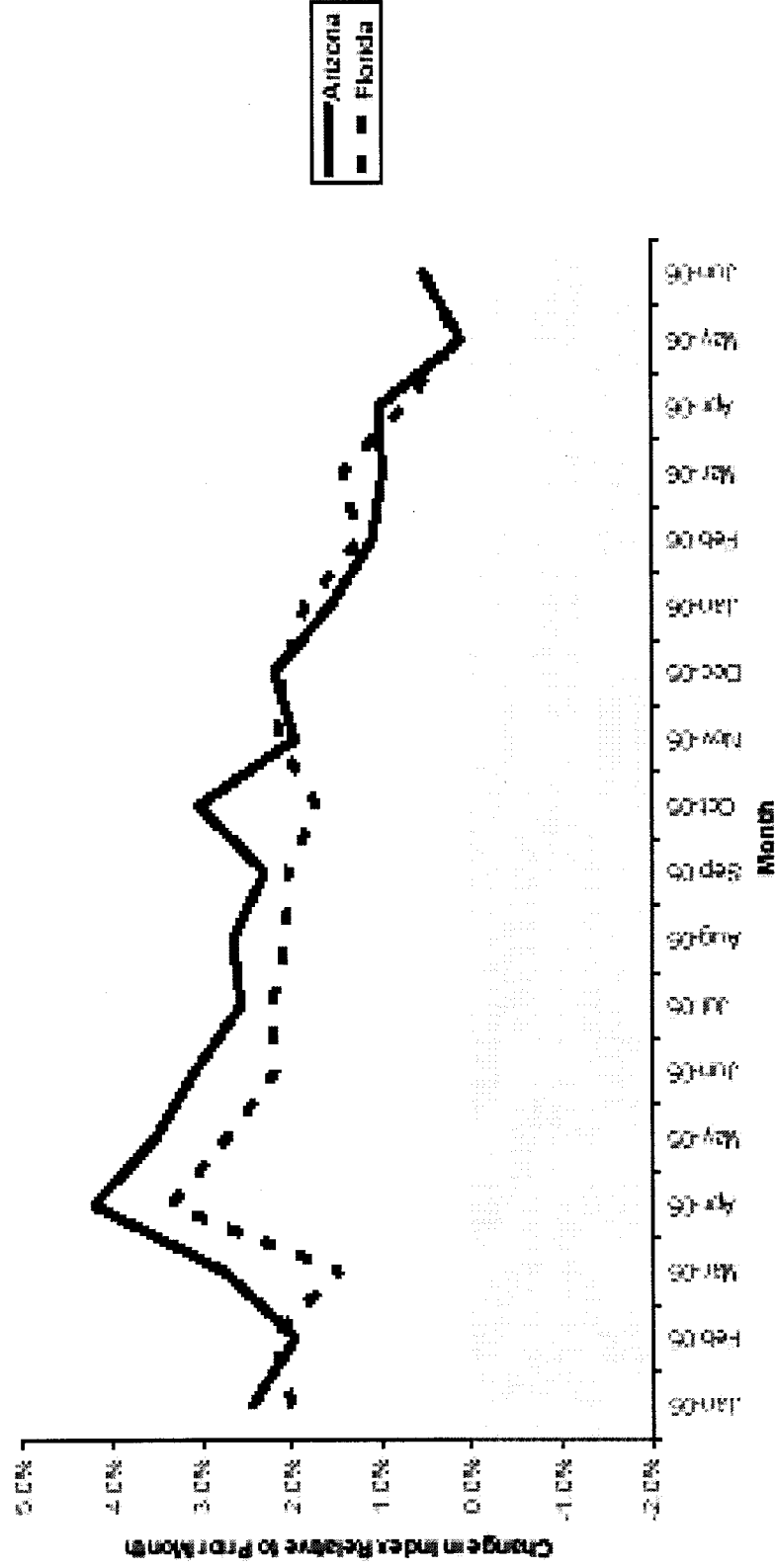
# Florida Prices

- The median house price soared 90% from July 2001 to July 2006, nearly doubling.
- According to an FDIC study, Florida was home to 21 boom markets (metro areas) as of 2005.
- The housing boom actually lasted 5 years, but began turning a year ago when year-over-year sales volume began to fall.
- In March, year-over-year collections for the state's Documentary Stamp Tax dropped for consecutive months for the first time since the 2000-01 Fiscal Year.
- In July, statewide home sales were down 33% and the median sales price was only up 1% from a year ago.



# Recent Month-Over-Month Appreciation Rates

States with Greatest Appreciation Between Q2 2004 and Q2 2006



Note: Underlying indices are seasonally-adjusted and do not employ valuation data from reference appraisals.



# Future Prices

*“In the past, significant nominal price declines generally have been associated with local or regional economic recession, but the exceptional size of some of the recent increases could make them vulnerable without a recession, especially if interest rates continue to rise.”*

OFHEO, 2006

*“National average price appreciation is likely to be quite limited in the near term. Indeed, some decline is a distinct possibility, and the rate of price appreciation should remain below trend for some time.”*

NATIB, 2006

*“These areas [Florida, California, Arizona, Nevada, Virginia, and Maryland] are vulnerable to outright price declines, particularly if interest rates were to rise further.”*

NAR, 2006

*“Prices of new and existing homes are also weaker, and actually decline in calendar year 2007. This will be the first nominal annual decline in the existing home sales price, a series that dates back to 1969.”*

Global Insight, 2006



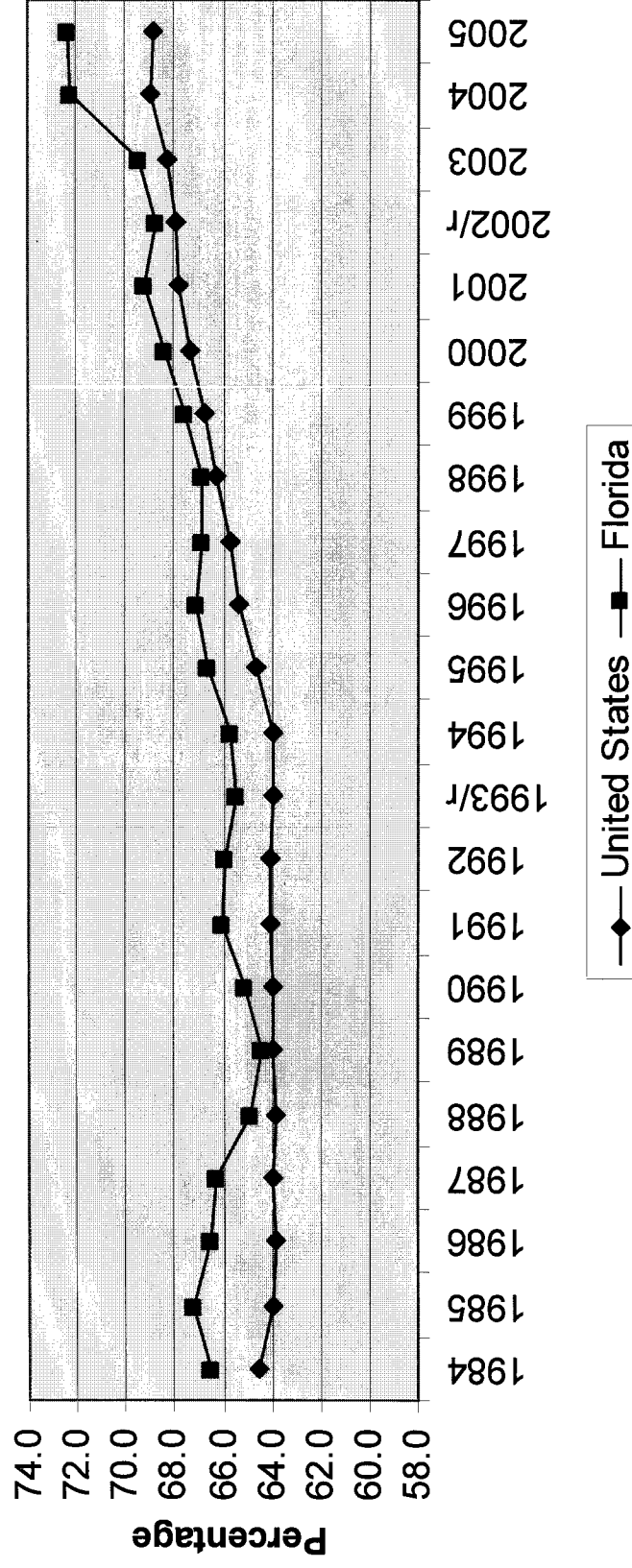
# Florida Demographics – Pushing Up Costs

- The sales and construction associated with the housing boom well exceeded underlying population and income changes.
- The annual population growth rate is expected to stay above 2% through 2010.
  - In Fiscal Year 2006-07, there are nearly 7.4 million households, with household size fairly consistent at 2.5 persons per household.
- Aging boomers are reaching their peak earning and investing years, ultimately leading to higher demand for second homes.
- While real per capita wages and salaries have continued to rise modestly, not everyone has seen better times. Pay gains as measured by the employment cost index have fallen short of energy-driven consumer price inflation.
- The household financial obligations ratio climbed to a record high of 18.7% of disposable income in early 2006 and will continue to climb to a peak of 20.3% in 2008.



# Homeownership Rate at Historic Level

Homeownership Rates: 1984 to 2005

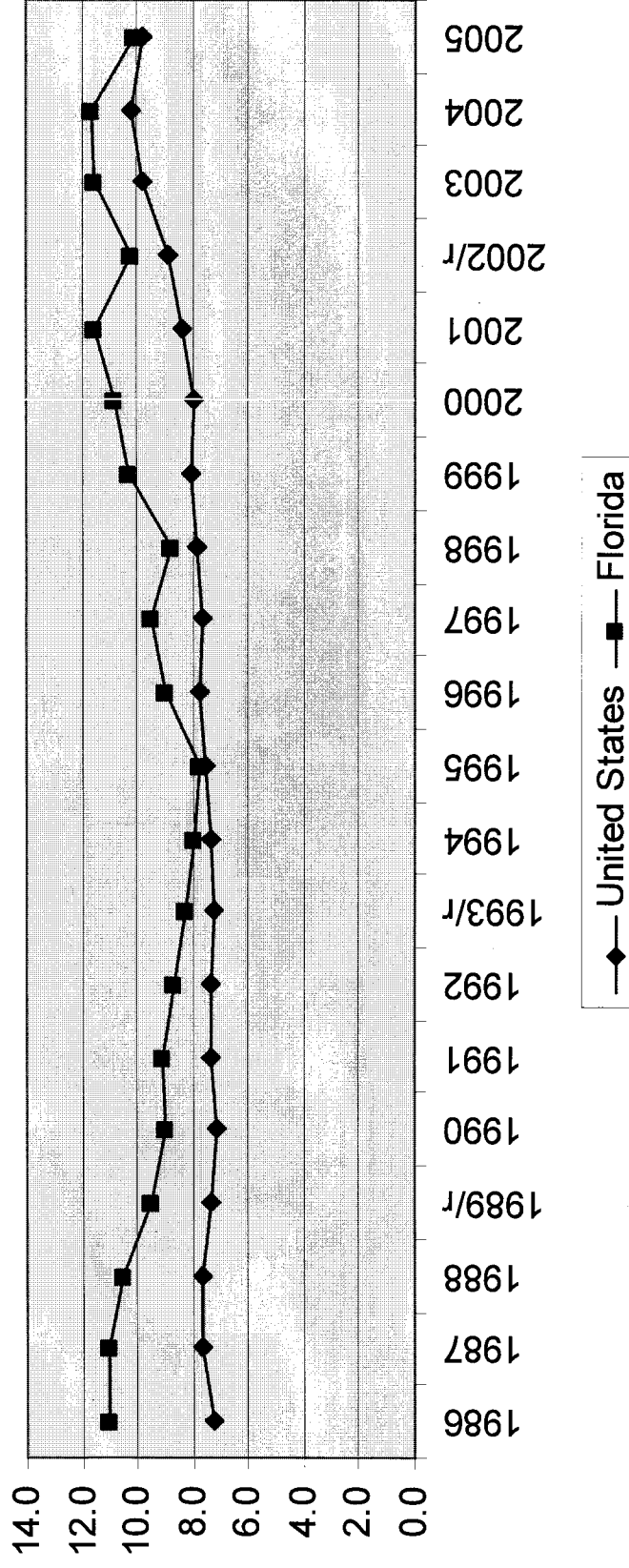


The homeownership rate is the proportion of households that is owner-occupied.



# Rental Supply is High, but Beginning to Tighten

Rental Vacancy Rates

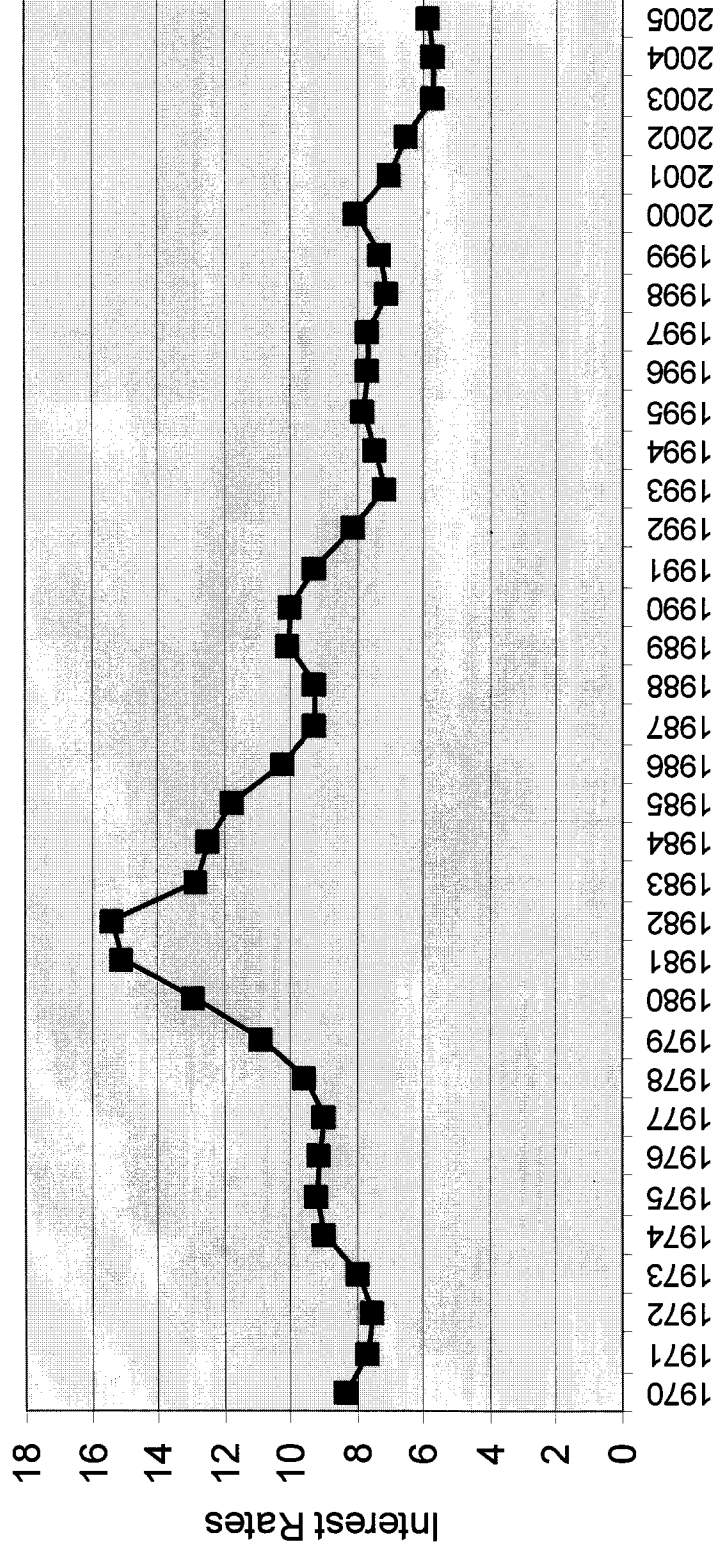


The rental vacancy rate is the proportion of the rental inventory that is vacant.



# Historically Low Interest Rates

Monthly Mortgage Rate: 1970 to 2005





# Mortgages and Foreclosures

- The recent use of speculative financing arrangements is making Floridians particularly vulnerable to interest rate risks.
- Of the total mortgages written in Florida in 2004, over 30% were exotic mortgages, such as interest-only. 2005 was even higher.
- Exotic and subprime mortgages are more apt to default (loosened lending standards).
- First wave of rate resets and repayments of principal are hitting now.
- When the real estate market was hot, people in trouble could sell or refinance using increased equity from appreciation – those options are evaporating.
- The number of foreclosures in Florida is rising – the number of homes in some stage of foreclosure is up 62% compared to the nation's 53% (year-over-year).
- Florida's 16,533 homes in foreclosure leads all states.



# What is affordability?

- Calculations are somewhat arbitrary because they are based on what households 'should' pay for housing.
- Most 'accepted' rule (used by HUD) is that spending more than 30% of household income on housing implies that housing is not affordable.
- Florida uses a similar definition.
- Economists use 'revealed willingness to pay,' that is, an observation of what people are actually paying.



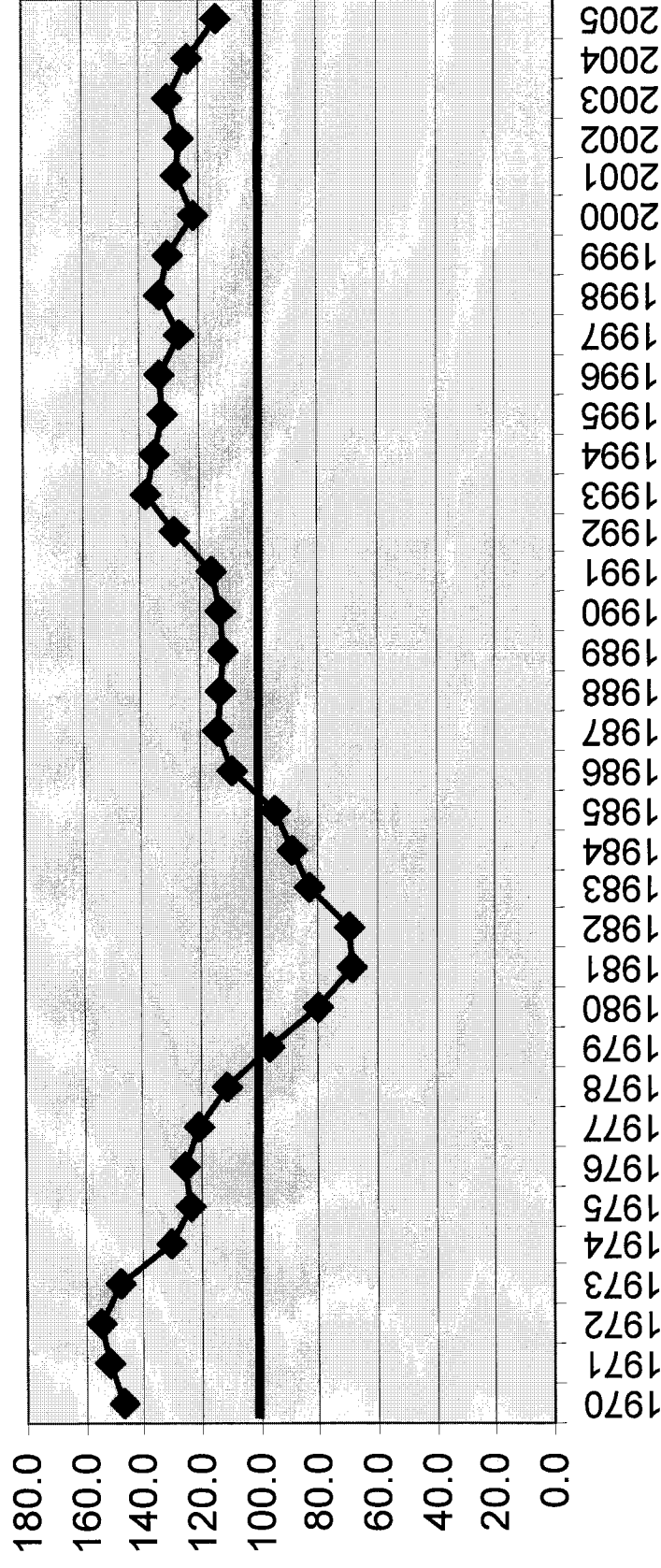
# Affordability of Owner-Occupied Market

- National Association of Realtors' Housing Affordability Index measures whether a typical family could qualify for a mortgage loan on a typical home. (median family income  $\sim$  median-priced, existing single-family home  $\sim$  20% downpayment  $\sim$  qualifying ratio of 25%)
- 100 = exactly enough income; greater than 100 = more than enough income.
- It has been declining since 2003.
- In July, the Index was 102.8 or 102.8% of the income needed.



# Housing Affordability Index

**Housing Affordability Index: 1970 to 2005**





# Applying the Index to Florida

Median Sales Price (July)	\$250,800
20% Down	<u>- 50,160</u>
Amount to be Financed	\$200,640
Median Household Income*	\$ 45,736
25% Qualifying Ratio	\$182,944
Shortfall	\$ 17,696

\*EDR Estimation for July



# Affordability of Rental Market

- Renter households, especially the young and the poor, are spending a greater portion of income on housing than they did 10 and 20 years ago.
- As high interest rates and lower affordability continue to crowd out first-time homebuyers, vacancy rates in the apartment rental market will contract. Both increased demand and dwindling supply will push rental rates higher.
- An August survey of rental market builders reported rising occupancy rates, rising rents, and increased traffic at all classes of rental apartments.
- NAR expects the average rent to increase 4.8% this year, up markedly from 2.9% last year.



# Cost Drivers

- Continuing supply shortages, such as cement, steel, wall board and brick, have raised prices.
- Land use restrictions, environmental and economic impact studies, natural barriers and existing high densities in some areas have both lengthened the time to build and increased the cost of housing.
- Actual land shortages in some areas have driven up the price of land.
- New single-family houses are larger in size and have more amenities than ever before according to the recently released 2005 Survey of Construction data.
- Increasing property taxes, insurance and energy bills have increased the ongoing cost of housing.



# Conclusion – Below Trend Activity

- The market for housing has dropped, at least partially due to higher prices and affordability issues.
  - Interest rates will likely increase, further dampening demand.
  - Recent buying surge likely pulled forward some demand.
  - Speculators / investors are pulling out of the market.
- The supply of **available** housing has increased, mainly because of the lower demand.
  - Some builders are turning from high end projects to more moderate projects, which will increase supply for certain demographic groups.
  - Condo-conversion is turning around, restoring the supply of rental units.
- The construction slowdown will drag down the economy, likely dampening wage-growth and job creation, and further lowering demand.
- House prices will fall on lower demand, but remain somewhat propped up by continued population growth, strong cost factors and tendencies to be ‘sticky downward.’



# Risks to Florida's Economy

- Housing Bust or more serious market contraction than currently forecast.
- Significant foreclosures or forced sales (dumping).
- Reduced consumer spending arising from 'payment shock' associated with exotic financing and from the loss of the wealth effect eroding the economy more than anticipated (recessionary).







## **Stephen P. Auger**

### **Executive Director**



Stephen P. Auger became Executive Director of Florida Housing Finance Corporation (Florida Housing) in September 2005. Prior to his appointment as Executive Director, Mr. Auger served as Florida Housing's Deputy Development Officer of Multifamily Programs where he administered the Housing Credits, State Apartment Incentive Loan, HOME Rental and Elderly Housing Community Loan programs. He also oversaw Florida Housing's Universal Application Cycle, which is the competitive process by which Florida Housing allocates its rental housing resources.

Before that, Mr. Auger served as Operations Director at Florida Housing, overseeing many critical internal functions. His additional experience at Florida Housing includes work as a Senior Housing Policy Analyst and as a Contracts Administrator. He also serves on the State Council on Homelessness and is a member of the Leadership Tallahassee Class XIX.

Mr. Auger graduated with a bachelor's degree in Philosophy from Rollins College in 1988, received his Master of Social Work degree from Florida State University in 1993 and was licensed as a Clinical Social Worker in 1996. Prior to joining Florida Housing in 2000, he provided clinical services to children and families primarily through Florida's juvenile dependency and delinquency systems.

## **About Florida Housing**

Florida Housing administers a number of multifamily, single family and special programs that help low-income Floridians obtain safe, decent affordable housing that might otherwise be unavailable to them. Our rental housing programs include the Multifamily Mortgage Revenue Bond, Low Income Housing Tax Credits, State Apartment Incentive Loan, the Elderly Housing Community Loan, Florida Affordable Housing Guarantee and Home Investment Partnerships programs.

Homeownership programs include the First Time Homebuyer Program, the Homeownership Loan Program and down payment assistance programs such as the Homeownership Assistance Program, HOME Down Payment Assistance, Homeownership Assistance for Moderate Income, and Three Percent Cash Assistance. In addition, Florida Housing offers the Mortgage Credit Certificate program.

We also administer Special Programs including the Predevelopment Loan Program, State Housing Initiatives Partnership, Demonstration Loans and the Affordable Housing Catalyst Program.

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# Florida Housing's Affordable Housing Programs

## HOMEOWNERSHIP PROGRAMS

### First Time Homebuyer Program

Florida Housing issues bonds under the Single Family Mortgage Revenue Bond Program and the proceeds from these bonds are used to originate 30-year mortgage loans through the First Time Homebuyer Program. First-time homebuyers then benefit from lower mortgage interest rates due to the tax-exempt status of the bonds. Eligible borrowers have to meet certain criteria such as the first-time homebuyer requirement, as defined by the Internal Revenue Code, credit worthiness, and an appropriate income level, not exceeding program limits.

### Down Payment Assistance Programs

Funds for down payment assistance and closing costs are often provided in conjunction with the First Time Homebuyer Program through the Homeownership Assistance Program (HAP), the HOME Investment Partnerships program, the Homeownership Assistance for Moderate Income (HAMI) program and Three Percent Cash Assistance.

### Homeownership Loan Program

The Homeownership Loan Program allows developers to apply for funding through either the HOME Investment Partnerships program or the Homeownership Assistance Program (HAP). Funding is obtained through a competitive process to assist with the construction of homes or to provide purchase assistance to the homebuyer for up to 25 percent of the purchase price of the home. The HOME program is a federal program available to eligible for-profit and nonprofit developers, local housing agencies, community housing development organizations, and public housing authorities. HAP is a state funded program tailored to nonprofit organizations and nonprofit sponsors, as well as community based organizations.

### Mortgage Credit Certificate

A Mortgage Credit Certificate (MCC) allows the homebuyer to claim a tax credit for some portion of the mortgage interest paid per year. It is a dollar for dollar reduction against their federal tax liability. An MCC may be issued to homebuyers at tax credit rates varying from 10 percent to 50 percent based on the mortgage interest paid per year capped at \$2,000 annually. Florida Housing determines the tax credit rate. The credit is non-refundable but may be carried forward for a period up to three (3) years.

## MULTIFAMILY DEVELOPMENT PROGRAMS

### Multifamily Mortgage Revenue Bonds

The Multifamily Mortgage Revenue Bond program uses both taxable and tax-exempt bonds to provide below market rate loans to nonprofit and for-profit developers who set aside a certain percentage of their apartment units for low income families. Proceeds from the sale of these bonds are used to construct or acquire and rehabilitate multifamily rental properties. The Bond program's application scoring and ranking criteria encourage increased set asides for low-income households. Special consideration is given to properties that target specific geographic areas such as HOPE VI communities.

### Florida Affordable Housing Guarantee

The Florida Affordable Housing Guarantee Program encourages affordable housing lending by issuing guarantees on financing for affordable housing. This program provides guarantees on taxable and tax-exempt bonds, and creates a security mechanism that allows lenders to sell affordable housing loans in the secondary market. It also encourages affordable housing lending activities that would not otherwise have taken place.

### HOME Investment Partnerships

The HOME program provides non-amortizing, low interest rate loans to developers of affordable housing who acquire, rehabilitate, or construct housing for low income families. Loans are offered through the annual Universal Cycle at the simple interest rate of zero percent to nonprofit applicants and three percent to for-profit applicants. Florida Housing's HOME program is designed for smaller developments in rural areas.





## **Elderly Housing Community Loan**

A portion of State Apartment Incentive Loan funds is set aside to fund the Elderly Housing Community Loan (EHCL) program. This program provides up to \$750,000 in loans to make substantial improvements to existing affordable elderly rental housing. The EHCL program generally has one competitive funding cycle each year and the application period is open for a minimum of 60 days. These funds are available for the purpose of making building preservation, sanitation repairs or improvements required by federal, state or local regulation codes, and for life safety or security related improvements.

## **Low Income Housing Tax Credits**

The competitive Housing Credit program provides for-profit and nonprofit organizations with a dollar-for-dollar reduction in federal tax liability in exchange for the acquisition and substantial rehabilitation, substantial rehabilitation or new construction of affordable rental housing units. Special consideration is given to properties that target specific demographic groups such as the elderly, homeless people, farmworkers and commercial fishing workers. Consideration is also given to properties that target specific geographic areas such as the Florida Keys, rural areas, urban infill areas, and Front Porch Florida communities.

## **State Apartment Incentive Loan Program**

The State Apartment Incentive Loan (SAIL) program provides low-interest loans on a competitive basis to developers of affordable rental housing each year. SAIL funds provide gap financing that allows developers to obtain the full financing needed to construct affordable multifamily units. SAIL dollars are available to individuals, public entities, and nonprofit or for-profit organizations for the construction or substantial rehabilitation of multifamily units. Special consideration is given to properties that target specific demographic groups such as the elderly, homeless people, farmworkers, and commercial fishing workers.

## **SPECIAL PROGRAMS**

### **Predevelopment Loan Program**

The Predevelopment Loan Program (PLP) assists nonprofit and community based organizations, local governments, and public housing authorities with planning, financing, and developing affordable housing. Eligible organizations may apply for a loan of up to \$500,000 for predevelopment activities such as rezoning, title searches, legal fees, impact fees, administrative costs, soil tests, engineering fees, appraisals, feasibility analyses, audit fees, earnest money deposits, insurance fees, commitment fees, administrative costs, marketing expenses, and acquisition expenses. Technical assistance is also provided.

### **State Housing Initiatives Partnership**

The State Housing Initiatives Partnership (SHIP) program provides funds to local governments on a population-based formula as an incentive to produce and preserve affordable housing for very low, low, and moderate income families. These funds are derived from the collection of documentary stamp tax revenues, which are deposited into the Local Government Housing Trust Fund. SHIP funds are distributed on an entitlement basis to all 67 counties and 50 Community Development Block Grant entitlement cities in Florida. The minimum allocation per county is \$350,000. SHIP dollars may be used to fund emergency repairs, new construction, rehabilitation, downpayment and closing cost assistance, impact fees, construction and gap financing, mortgage buy-downs, acquisition of property for affordable housing, matching dollars for federal housing grants and programs, and homeownership counseling. Each participating local government may use up to ten percent of their SHIP funds for administrative expenses.

### **Demonstration Loans**

Florida Housing issues Demonstration Loans under authority of 420.507, F.S. Demonstration Loans are issued through a request for proposals (RFP) process one or more times throughout the year. Each RFP is developed to address a certain type of special needs housing. Demonstration Loans have been approved for housing for homeless people and elders, farmworkers, persons with disabilities and victims of domestic violence.

### **Affordable Housing Catalyst Program**

The Affordable Housing Catalyst Program provides on-site and telephone technical assistance and training on the State Housing Initiatives Partnership Program (SHIP), the HOME Investment Partnerships Program and other affordable housing programs. This technical assistance includes assisting agencies in leveraging those dollars with other public and private funding sources, training on forming local and regional public/private partnerships, working effectively with lending institutions, implementing regulatory reform, training for boards of directors, implementing rehabilitation and emergency repair programs, developing volunteer programs, assisting with the design and establishment of fiscal and program tracking systems, and compliance requirements of state and federally funded housing programs. Workshops are conducted throughout the year at locations around the state.



## HURRICANE HOUSING RECOVERY PROGRAMS

The eight hurricanes that hit Florida in 2004 and 2005 damaged approximately one million homes. As part of Florida's response, Governor Bush created the Hurricane Housing Work Group, which made recommendations in February 2005 for the appropriation of hurricane housing recovery funds. During the 2005 legislative session, the Florida Legislature approved \$250 million in funding for some of these recommendations, including a locally-administered Hurricane Housing Recovery Program (HHRP), funded at \$208 million, and the Rental Recovery Loan Program (RRLP), funded at \$42 million.

In 2006, the legislature appropriated another \$92.9 million for RRLP and \$15 million to fund two additional hurricane housing recovery programs recommended by the Hurricane Housing Work Group, the Farmworker Housing Recovery Program (FHRP) and the Special Housing Assistance and Development Program (SHADP).

### Hurricane Housing Recovery Program

The \$208 million Hurricane Housing Recovery Program was established to enable local governments impacted by the 2004 hurricanes to develop and implement long-term affordable housing strategies for their communities. The Work Group identified 28 counties that would be eligible for funding through this program and recommended various funding levels for each of those counties. The Legislature made those funds available on July 1, 2005. Local governments developed and submitted disaster recovery plans to Florida Housing that outlined how their funding would be spent. Local governments are currently in varying stages of rebuilding and recovery using HHRP funds.

#### Hurricane Housing Recovery Program Fast Facts:

- HHRP was developed to assist households earning incomes up to 120% of area median income (AMI), with 30 percent of program funds reserved for extremely low-income households.
- Eligible Activities include:
  - ▶ Repair and replacement of site built housing;
  - ▶ Land acquisition;
  - ▶ Construction and development financing;
  - ▶ Down payment, closing costs, and purchase price assistance for site-built and post-1994 manufactured homes where the wind load rating is sufficient for the location;
  - ▶ The acquisition of building materials for home repair and construction;
  - ▶ Housing re-entry assistance, such as security deposits, utility deposits, and temporary storage of household furnishings, rental assistance; and
  - ▶ Community collaboration activities to develop affordable housing.

### Rental Recovery Loan Program

The Rental Recovery Loan Program has made funds available to affordable housing developers in 2005 and 2006 as a means of leveraging existing federal rental financing programs, such as Multifamily Mortgage Revenue Bonds. One of the goals of this program is to facilitate the production of additional affordable rental housing stock in areas hurt by the hurricanes.

#### Rental Recovery Loan Program Fast Facts:

- At least 70% of the units must be set aside for those at or below 60% of area median income (AMI), and a minimum of 15% set-aside for extremely low income (ELI).
- Units must be set aside as affordable for at least 50 years.
- There is a supplemental forgivable loan provided for each ELI unit that a developer commits to set aside for at least 20 years.
- Rents for all units financed through this program are restricted at the appropriate income level using the restricted rents applicable for the Low Income Housing Tax Credit program.



## **Farmworker Housing Recovery Program**

The Farmworker Housing Recovery Program (FHRP) provides one-time funds to finance the construction and/or rehabilitation of housing for farmworkers, with special targeting to migrant farmworkers. Funds will be awarded on a competitive basis through an application process to finance housing provided by non-profits, public housing authorities and other housing providers. Based on the Hurricane Housing Work Group's recommendations, the FHRP encourages partnerships with nonprofits, farmers, growers, local governments, trade associations or other organizations that can share in the cost of providing this housing. For farmworkers unaccompanied by their families, rents may be based on "beds" as necessary and paid daily, weekly, or monthly. Loans may be forgivable in certain situations. FHRP is targeted to agricultural areas of the state impacted by the 2004 and 2005 storms and proximate to services.

## **Special Housing Assistance and Development Program**

The Special Housing Assistance and Development Program (SHADP) is designed to target smaller rental developments for hard-to-serve populations such as persons with a disability, frail elders and people who are homeless. Funds will be awarded on a competitive basis through an application process to finance housing provided by non-profits, public housing authorities and other housing providers. Based on the Hurricane Housing Work Group's recommendations, SHADP provides flexible loans which may be forgivable in certain situations.

The Hurricane Housing Work recommended that funding be targeted to developments in Tier I and II counties. Based on combined impacts from the 2004 and 2005 storms, those counties are:

- Tier I: Brevard, Broward, Charlotte, DeSoto, Escambia, Hardee, Hendry, Indian River, Martin, Miami-Dade, Monroe, Okeechobee, Palm Beach, Polk, St. Lucie and Santa Rosa.
- Tier II: Collier, Franklin, Glades, Highlands, Lee, Orange, Osceola and Volusia.

## **WORKFORCE HOUSING**

### **Community Workforce Housing Innovation Pilot Program**

The 2006 Florida Legislature passed House Bill 1363 (Ch. 2006-69, s. 27, Laws of Fla.), a housing bill focused on addressing some of the affordable housing challenges the State currently faces. HB 1363 includes \$50 million for an affordable housing pilot program called the Community Workforce Housing Innovation Pilot Program (CWHIP). Florida Housing will administer CWHIP, and these funds will be awarded on a competitive basis through a Request for Proposals (RFP) process to public-private entities seeking to build affordable housing for Florida's workforce.

CWHIP promotes the creation of public-private partnerships to finance, build and manage workforce housing and requires the coordinated efforts of all levels of government as well as private sector developers, financiers, business interests and service providers. The program requires that 50 percent of the units built using CWHIP funds be targeted to "essential services personnel," to be defined in local SHIP plans. In addition, 80 percent of the units built using CWHIP must be available to households earning incomes up to 140 percent of area median income (AMI). This program may serve a broad range of incomes up to 140 percent of AMI.

#### **Eligible Counties:**

- High cost counties (relative cost to purchase home compared to incomes).
- High growth counties.
- Counties willing to make regulatory changes and financial investments in affordable housing.

#### **Eligible Developments:**

- Homeownership and rental housing, which may be in a mixed use and/or scattered site setting.
- Developments that have at least 15 percent of the total development costs granted or donated.
- Developments in neighborhoods close to employers, services, transportation.





we make housing affordable

## State Housing Initiatives Partnership (SHIP) Program

### Overview

The State Housing Initiatives Partnership (SHIP) Program was created to provide funds to local governments as an incentive to create partnerships to produce and preserve affordable home ownership and multifamily housing for very low, low and moderate income households.

Established by the passage of the 1992 Sadowski Affordable Housing Act, funds are allocated on a population-based formula. The minimum annual allocation is \$350,000 and the largest allocation is a little over \$9 million. SHIP funds are distributed to all 67 counties and 50 Community Development Block Grant entitlement cities.

Although the SHIP program is governed by statute and rule, the local governments that receive SHIP funds have some discretion as to how funds are disbursed in order that they may best address the most pressing housing needs in their community.

### SHIP Funding

SHIP EXPENDITURES LIFE TO DATE		
Allocation Year	Units Produced	Funds Expended
1992/1993	3,233	16,800,541
1993/1994	3,635	22,159,524
1994/1995	4,213	24,108,193
1995/1996	12,932	75,498,831
1996/1997	12,321	83,506,462
1997/1998	12,095	86,774,163
1998/1999	15,172	121,775,194
1999/2000	13,977	107,699,034
2000/2001	16,986	171,717,683
2001/2002	15,682	145,035,355
2002/2003	13,984	163,443,545
Open Fiscal Years (Funds not fully expended)		
Allocation Year	Expenditure Deadline	Funds Expended
2003/2004*	June 30, 2006	130,756,501
2004/2005*	June 30, 2007	130,758,367
2005/2006*	June 30, 2008	130,726,637
2006/2007*	June 30, 2009	161,250,000
* Open fiscal years (Amount based on actual allocation, does not reflect program income and recaptured funds. All closed fiscal years reflect program income and recaptured funds.		

FHFC April 11, 2006



## Funding Use Requirements

- ❖ A minimum of 65% of SHIP funds must be spent on eligible home ownership activities.\*
- ❖ A minimum of 75% of SHIP funds must be spent on eligible construction activities (new construction, rehabilitation, emergency repairs) \*\*

\* The actual amount expended on homeownership activities is in excess of 85%

\*\*The actual amount expended on new construction is in excess of 88%

FHFC Analysis February 2006

- ❖ At least 30% of the funds must be reserved for very-low-income households (up to 50% of median income).
- ❖ An additional 30% of the funds may be reserved for low-income households (up to 80% of median income).
- ❖ The remaining funds may be reserved for moderate-income households (up to 120% of median income).

Fiscal year	Very Low Income	Low Income	Moderate Income
2000-2001	46.7	43.2	10
2001-2002	46.4	42.2	11.3
2002-2003	48.8	42.7	10.5

Source: SHIP Closeout Reports and Annual Reports

## SHIP Funds Leveraging

With an emphasis on creating partnerships to leverage funds, SHIP funds are often used in conjunction with other sources to provide affordable housing opportunities. These other funds may be private, local, state or federal funds.

Year	SHIP Funds	Other Funds	Total Leverage \$	Ratio of Leveraged \$
2000/2001	157,385,495	798,185,546	955,571,040	1 : 6.1
2001/2002	132,111,824	650,722,498	782,834,322	1 : 5.9
2002/2003	148,302,870	626,480,841	774,783,711	1 : 5.2

Source: SHIP Closeout Reports and Annual Reports

## Local Housing Strategies

Homeownership strategies generally cover down payment assistance, loans for new construction, funding for rehabilitation, and emergency repairs. Local governments typically leverage SHIP funds with other funding sources for rental developments. Rental strategies range from gap funding provided to developers of affordable rental housing, to development of housing for special needs populations (e.g., homeless people, farmworkers, frail elders), to the provision of direct tenant based assistance to renters for security and utility deposits.

In recent years, there have been some changes in the overall strategies employed by local governments. Some of those changes are:

- ❖ The use of deeper subsidies from SHIP for down payment assistance to make home purchasing affordable to very low, low and moderate income households in reaction to increased home construction and purchase prices in the open market (see chart below).



- ❖ Development of strategies to assist specific employment categories (teachers, nurses, first responders) to address the needs of the local community.
- ❖ Other creative uses designed to make SHIP funds go further, such as community land trusts.
- ❖ Development of “anti-flipping” requirements designed to recapture funds from homes that are sold within a certain number of years. The recaptured funds are used to fund another affordable unit.

### Incomes, Housing Prices and Subsidies

MSA	1995				2005			
	Income for Typical SHIP Homebuyer (70% of Median Income)	Mortgage Amount Qualified For	SHIP Eligible Home Price	Subsidy Needed to Afford SHIP Eligible Home Price	Income for Typical SHIP Homebuyer (70% of Median Income)	Mortgage Amount Qualified For	SHIP Eligible Home Price	Subsidy needed to Afford SHIP Eligible Home Price
Daytona Beach	\$23,730	\$62,912	\$66,600	\$2,355	\$34,055	\$72,360	\$190,800	\$114,625
Fort Myers	\$26,250	\$72,138	\$74,700	\$1,067	\$37,870	\$79,077	\$229,500	\$145,833
Ft. Lauderdale	\$30,170	\$86,214	\$88,200	\$221	\$40,670	\$98,740	\$216,900	\$113,822
Fort Pierce-St. Lucie	\$27,510	\$76,366	\$72,000	\$0	\$36,715	\$76,066	\$220,500	\$140,023
Fort Walton Beach	\$25,410	\$67,392	\$77,400	\$8,460	\$38,605	\$98,245	\$187,200	\$85,210
Jacksonville	\$27,580	\$77,094	\$78,300	\$0	\$40,495	\$116,870	\$163,800	\$43,654
Lakeland	\$23,170	\$61,420	\$62,550	\$0	\$33,320	\$80,319	\$154,800	\$70,385
Miami	\$24,990	\$62,930	\$85,500	\$20,860	\$32,445	\$51,370	\$225,000	\$169,130
Naples	\$31,290	\$86,694	\$103,500	\$14,736	\$44,310	\$76,705	\$333,000	\$249,635
Ocala	\$20,790	\$50,893	\$61,200	\$9,082	\$30,170	\$74,639	\$126,000	\$48,841
Orlando, FL	\$28,000	\$78,338	\$81,000	\$1,041	\$38,570	\$90,944	\$207,000	\$111,915
Pensacola, FL	\$24,290	\$64,126	\$71,100	\$5,551	\$35,490	\$96,930	\$144,000	\$44,191
Punta Gorda	\$23,240	\$58,957	\$72,000	\$11,602	\$34,405	\$82,953	\$166,500	\$80,217
Sarasota-Bradenton	\$26,390	\$70,841	\$81,000	\$8,538	\$39,130	\$85,564	\$230,400	\$140,228
Tallahassee	\$28,280	\$80,847	\$77,400	\$0	\$40,390	\$123,415	\$144,000	\$17,704
Tampa-St. Pete	\$25,480	\$69,202	\$71,100	\$476	\$36,505	\$91,745	\$173,700	\$78,481
West Palm Beach	\$31,150	\$86,041	\$103,500	\$15,389	\$43,470	\$98,354	\$260,100	\$156,543

Source: Florida Housing Coalition

### Disaster Recovery

In recent years, SHIP funds have been expended along with Hurricane Housing Recovery Program funds (HHR) to address disaster recovery needs in local communities. Local governments may choose to develop a disaster strategy or follow the disaster strategy incorporated in the SHIP rule. Funds were also allocated to 28 counties through the HHR Program to address recovery efforts in areas with extensive damage following the 2004 hurricane season.

### Notes

- 1) Legislative Authority for the SHIP program is Chapter 420, Part VII, *Florida Statutes*, and Rule Chapter 67-37, *Florida Administrative Code*.
- 2) SHIP funds may not be expended on mobile homes.
- 3) SHIP funds must be encumbered within 24 months and expended within 36 months of distribution.
- 4) No more than 10% of SHIP funds may be used by local governments for administrative expenses.



# Number of Renter Households in Florida Estimated to have Cost Burdens of 40% or More in 2004

County	0-35% AMI		35.1-50% AMI		50.1-60% AMI		60.1+% AMI		Total Households		
	Cost Burdened	Total Households	Cost Burdened	Total Households	Cost Burdened	Total Households	Cost Burdened	Total Households	Cost Burdened	Total Households	% Cost Burdened
Alachua	4,755	7,309	1,261	3,057	401	2,283	389	13,793	6,806	26,442	25.7%
Baker	90	257	54	187	13	101	13	920	170	1,465	11.6%
Bay	2,758	4,355	1,165	2,463	129	1,450	181	10,802	4,233	19,070	22.2%
Bradford	215	465	59	254	20	146	20	1,077	314	1,942	16.2%
Brevard	7,926	11,983	3,174	6,517	797	4,116	564	28,464	12,461	51,080	24.4%
Broward	32,049	46,579	12,848	22,486	5,144	15,086	5,972	120,515	56,013	204,666	27.4%
Calhoun	125	252	23	114	4	52	10	418	162	836	19.4%
Charlotte	1,482	2,238	716	1,285	192	649	379	6,911	2,769	11,083	25.0%
Citrus	1,042	1,585	613	1,246	26	594	168	4,378	1,849	7,803	23.7%
Clay	952	1,572	597	1,275	124	1,020	62	8,165	1,735	12,032	14.4%
Collier	3,127	5,620	1,347	3,103	599	2,400	961	16,777	6,034	27,900	21.6%
Columbia	676	1,282	234	690	63	376	48	2,606	1,021	4,954	20.6%
De Soto	333	566	145	430	7	211	43	1,750	528	2,957	17.9%
Dixie	123	225	23	88	9	54	9	317	164	684	24.0%
Duval	16,182	27,334	4,533	13,388	1,097	8,353	1,133	61,354	22,945	110,429	20.8%
Escambia	5,926	9,155	1,725	4,198	642	2,739	524	19,001	8,817	35,093	25.1%
Flagler	495	755	226	427	80	306	167	2,437	968	3,925	24.7%
Franklin	128	226	32	110	8	45	9	404	177	785	22.5%
Gadsden	584	1,021	112	488	12	253	41	1,805	749	3,567	21.0%
Gilchrist	77	214	26	114	2	48	6	354	111	730	15.2%
Glades	73	125	25	61	2	34	7	411	107	631	17.0%
Gulf	129	265	19	126	3	51	9	512	160	954	16.8%
Hamilton	176	332	40	132	10	70	7	474	233	1,008	23.1%
Hardee	274	443	104	303	5	150	29	1,297	412	2,193	18.8%
Hendry	531	791	137	356	31	224	40	1,824	739	3,195	23.1%
Hernando	1,346	2,018	291	838	86	757	130	4,448	1,853	8,061	23.0%
Highlands	1,140	1,838	511	1,210	46	568	206	4,449	1,903	8,065	23.6%
Hillsborough	18,642	28,434	6,452	14,381	2,155	9,060	3,385	86,361	30,634	138,236	22.2%
Holmes	216	385	32	168	5	103	15	647	268	1,303	20.6%
Indian River	1,796	2,842	686	1,487	250	1,042	422	6,246	3,154	11,617	27.1%
Jackson	499	958	70	462	12	278	31	1,901	612	3,599	17.0%
Jefferson	125	280	33	149	6	60	6	526	170	1,015	16.7%
Lafayette	48	99	15	56	8	36	5	210	76	401	19.0%
Lake	2,591	4,393	932	2,870	169	1,412	594	9,282	4,286	17,957	23.9%
Lee	6,136	9,602	3,023	5,633	870	3,480	1,397	28,598	11,426	47,313	24.1%
Leon	4,753	6,917	1,437	3,332	620	2,202	152	14,358	6,962	26,809	26.0%
Levy	378	805	105	376	37	188	31	1,137	551	2,506	22.0%
Liberty	67	127	15	66	4	27	4	265	90	485	18.6%
Madison	218	414	41	189	10	80	16	716	285	1,399	20.4%
Manatee	4,222	6,290	1,923	3,733	521	2,497	845	18,279	7,511	30,799	24.4%
Marion	2,761	4,596	1,498	2,764	298	1,743	707	13,538	5,264	22,641	23.2%
Martin	1,481	2,220	819	1,345	208	1,148	245	6,740	2,753	11,453	24.0%
Miami Dade	57,770	90,915	25,337	39,803	9,925	23,058	13,278	173,426	106,310	327,202	32.5%
Monroe	1,919	3,182	656	1,314	378	1,136	570	7,012	3,523	12,644	27.9%
Nassau	572	1,071	242	548	65	361	24	2,351	903	4,331	20.8%
Okaloosa	2,702	3,894	967	2,751	176	2,069	270	14,314	4,115	23,028	17.9%
Okeechobee	357	606	161	427	11	216	49	1,751	578	3,000	19.3%
Orange	17,255	24,365	8,412	14,685	3,389	11,025	2,702	84,118	31,758	134,193	23.7%
Osceola	3,446	4,115	1,983	3,247	440	1,808	269	12,389	6,138	21,559	28.5%
Palm Beach	20,678	30,258	6,853	14,150	2,515	10,469	3,838	70,638	33,884	125,515	27.0%
Pasco	5,073	7,391	1,552	3,828	453	2,435	422	13,807	7,500	27,461	27.3%
Pinellas	15,903	23,958	6,503	13,051	2,172	8,240	3,973	73,600	28,551	118,849	24.0%
Polk	7,620	12,101	2,030	5,502	602	3,810	850	30,336	11,102	51,749	21.5%
Putnam	1,058	1,827	128	781	30	335	62	2,655	1,278	5,598	22.8%
Santa Rosa	1,227	1,980	261	1,301	144	622	68	5,377	1,700	9,280	18.3%
Sarasota	4,115	6,143	1,979	3,427	765	2,427	1,518	20,039	8,377	32,036	26.1%
Seminole	4,714	6,524	2,467	4,095	997	3,053	1,161	30,442	9,339	44,114	21.2%
St. Johns	1,425	2,289	890	1,700	253	1,003	501	7,653	3,069	12,645	24.3%
St. Lucie	2,877	4,535	1,342	2,187	426	1,481	311	10,555	4,956	18,758	26.4%
Sumter	330	551	192	455	5	228	52	1,979	579	3,213	18.0%
Suwannee	358	862	108	461	31	213	22	1,287	519	2,823	18.4%
Taylor	201	392	57	239	24	105	15	740	297	1,476	20.1%
Union	67	162	17	90	7	65	5	539	96	856	11.2%
Volusia	6,222	9,239	3,244	5,392	1,037	3,026	1,710	28,069	12,213	45,726	26.7%
Wakulla	231	348	112	212	9	124	20	795	372	1,479	25.2%
Walton	569	1,040	115	500	18	311	38	1,848	740	3,699	20.0%
Washington	259	459	52	213	7	132	12	716	330	1,520	21.7%
<b>TOTAL</b>	<b>283,595</b>	<b>435,374</b>	<b>112,781</b>	<b>222,316</b>	<b>38,604</b>	<b>143,244</b>	<b>50,722</b>	<b>1,100,903</b>	<b>485,702</b>	<b>1,901,837</b>	<b>65.7%</b>
	<b>65.1%</b>		<b>50.7%</b>		<b>26.9%</b>		<b>4.6%</b>		<b>25.5%</b>		

Source: Prepared by Florida Housing Finance Corporation on 7 Mar 06 from the 2004 Rental Market Study Pivot Table compiled by the Shimberg Center for Affordable Housing

## Notes:

Cost burden refers to those households that spend more than 40 percent of their income on rent and utilities.

AMI = Area Median Income

Percentages at the bottom of the page represent the proportion of cost burdened renter households in each income category compared to the total number of rental households in that same income category. **Note that of renters in the 0-60% AMI category, fully 54% are cost burdened.**





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## 2006/2007 Appropriations

### General Appropriations Act

#### State Housing Trust Fund

Florida Housing Programs include:

State Apartment Incentive Loan (SAIL), Homeownership Assistance (HAP), Predevelopment (PLP), HOME Match, Guarantee Fund Debt Service, Housing Data Clearinghouse, Affordable Housing Study Commission, Catalyst Program	<b>\$ 70,500,000</b>
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#### Local Government Housing Trust Fund

State Housing Initiatives Partnership (SHIP)	\$ 166,400,000
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SHIP Compliance Monitoring	200,000
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<b>Total</b>	<b>\$ 166,600,000</b>
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Transfer to DCF for Homeless Programs	\$ 7,900,000
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#### Total Florida Housing Budget Received in General Appropriations Act

**\$ 245,000,000**

### House Bill 1363

#### State Housing Trust Fund

Rental Recovery Loan Program (RRLP)	\$ 17,000,000
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Farmworker & Special Needs	15,000,000
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Technical Assistance	100,000
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Extremely Low Income	30,000,000
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<b>Total</b>	<b>\$ 62,100,000</b>
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#### Local Government Housing Trust Fund

Rental Recovery Loan Program (RRLP)	\$ 75,900,000
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Community Workforce Housing Initiatives Program (CWHIP)	50,000,000
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<b>Total</b>	<b>\$ 125,900,000</b>
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#### Total Florida Housing Budget Received in HB 1363

**\$ 188,000,000**





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## Rental Recovery Loan Program Status

The Legislature appropriated funding for hurricane recovery following the 2004 and 2005 hurricane seasons in the amounts of \$42 million and \$92.9 million, respectively. Below is the current status of that appropriation.

### 2005 RRLP Funded Developments

County	Number of Developments	Set-Aside Units	RRLP Allocated
Brevard	1	192	\$7,400,000.00
Charlotte	2	305	\$9,450,000.00
Escambia	1	160	\$6,141,214.00
Hardee	1	64	\$5,800,000.00
Santa Rosa	2	104	\$10,400,000.00

The 2006 RRLP Applications were submitted to Florida Housing in August 2006. There were a total of 72 Applications received, requesting over \$530 million in funding to construct approximately 6500 set-aside units to serve families at or below 60% of the area median income. Staff expects to present the final scores and rankings of those applications to the Florida Housing Board of Directors at its October 2006 Board Meeting.



# Hurricane Housing Recovery Program (HHRP)

LOCAL GOVERNMENT	Total Allocation	Disbursements to Date*	Balance Remaining to be Disbursed
<b>BRADFORD County</b>	\$ 504,633	\$ 98,670	\$ 405,963
<i>Brevard County</i>	11,690,205	5,344,135	6,346,070
<i>Cocoa, City of</i>	1,003,681	660,000	343,681
<i>Titusville, City of</i>	1,471,765	-	1,471,765
<i>Melbourne, City of</i>	2,449,030	1,449,030	1,000,000
<i>Palm Bay, City of</i>	2,950,181	2,950,181	-
<b>BREVARD County TOTAL</b>	<b>19,564,862</b>	<b>10,403,346</b>	<b>9,161,516</b>
<b>CHARLOTTE County</b>	19,119,964	19,119,964	-
<b>DESOTO County</b>	10,863,526	10,863,526	-
<b>DIXIE County</b>	602,452	602,452	-
<b>ESCAMBIA County</b>	23,816,315	14,006,813	9,809,502
<b>GLADES County</b>	510,592	200,000	310,592
<b>HARDEE County</b>	7,899,860	4,937,412	2,962,448
<b>HENDRY County</b>	649,599	100,000	549,599
<b>HIGHLANDS County</b>	3,102,466	3,102,466	-
<b>INDIAN RIVER County</b>	14,563,228	14,563,228	-
<b>LAKE County</b>	1,030,922	780,364	250,558
<b>LEE County</b>	3,337,194	3,337,194	-
<b>LEVY County</b>	510,883	510,883	-
<i>Marion County</i>	1,192,495	1,192,495	-
<i>Ocala, City of</i>	202,071	100,000	102,071
<b>MARION County Total</b>	<b>1,394,566</b>	<b>1,292,495</b>	<b>102,071</b>
<b>MARTIN County</b>	8,806,758	8,806,758	-
<b>OKALOOSA County</b>	1,338,847	1,338,847	-
<b>OKEECHOBEE County</b>	7,173,464	7,173,464	-
<i>Orange County</i>	4,510,643	100,000	4,410,643
<i>Orlando, City of</i>	1,347,335	1,347,335	-
<b>ORANGE County Total</b>	<b>5,857,978</b>	<b>1,447,335</b>	<b>4,410,643</b>
<i>Osceola County</i>	2,832,939	630,000	2,202,939
<i>Kissimmee, City of</i>	2,482,143	100,000	2,382,143
<b>OSCEOLA County Total</b>	<b>5,315,082</b>	<b>730,000</b>	<b>4,585,082</b>
<i>Palm Beach County</i>	4,485,784	552,075	3,933,709
<i>Boynton Beach, City of</i>	1,000,000	100,000	900,000
<i>Delray Beach, City of</i>	1,000,000	-	1,000,000
<i>West Palm Beach, City of</i>	2,050,000	2,050,000	-
<b>PALM BEACH County Total</b>	<b>8,535,784</b>	<b>2,702,075</b>	<b>5,833,709</b>
<i>Polk County</i>	14,712,521	14,712,521	-
<i>Lakeland, City of</i>	2,302,125	2,302,125	-
<i>Winter Haven, City of</i>	697,412	697,412	-
<b>POLK County Total</b>	<b>17,712,058</b>	<b>17,712,058</b>	-
<b>PUTNAM County</b>	1,052,106	1,052,106	-
<b>SANTA ROSA County</b>	14,573,991	11,200,000	3,373,991
<b>SEMINOLE County</b>	2,199,761	1,204,964	994,797
<i>St. Lucie County</i>	7,296,658	7,296,658	-
<i>Port St. Lucie, City of</i>	7,296,658	7,296,658	-
<i>Fort Pierce, City of</i>	7,296,658	4,266,656	3,030,002
<b>ST. LUCIE County Total</b>	<b>21,889,974</b>	<b>18,859,972</b>	<b>3,030,002</b>
<b>SUMTER County</b>	579,639	579,639	-
<i>Volusia County</i>	2,984,100	2,984,100	-
<i>Daytona Beach, City of</i>	994,698	994,698	-
<i>Deltona, City of</i>	994,698	565,000	429,698
<b>VOLUSIA County Total</b>	<b>4,973,496</b>	<b>4,543,798</b>	<b>429,698</b>
<b>TOTAL</b>	<b>\$ 207,480,000</b>	<b>\$ 161,269,829</b>	<b>\$ 46,210,171</b>

\* Disbursements through 08/30/2006

02/22/2006



**2006 Community Workforce Housing Innovation Pilot Program (CWHIP)**  
**Proposed Timeline**

<b>Proposed Date</b>	<b>Description</b>
6/9/2006	Board approval to begin Program / Rule development
7/10/2006	Public Meeting - Ft. Lauderdale
7/28/2006	Rule Development Workshop - Tallahassee - following Board Meeting
8/21/2025	Public Meeting - Marriott Tampa Airport
10/16/2006	Rule Hearing
10/20/2006	Board approval of final Rule and NOFA
	File for Adoption - If no Notice of Change Required
10/31/2006	File Rule for Adoption
11/20/2006	Rule Effective Date
	File for Adoption - If Notice of Change Required
11/27/2006	File Rule for Adoption
12/17/2006	Rule Effective Date
	Request for Proposal (RFP)
10/6/2006	Open RFP
12/15/2006	RFP Closes

9/12/2006



## 2005 Gap Between Buying Power and Median Sales Price, by County for Homesteaded Single Family Homes for CWHIP Program – DRAFT 9/12/06

County property appraiser data are the source for this chart. These data include all single family sales in a year, unlike other data sources which often do not compile all sales (e.g., non-Realtor sales, new home sales). At this time, county appraiser data appear to be the most comprehensive and consistent source of information across the state for the purposes of this pilot program.

County	Median Income for Family of 4	Buying Power (Income x 3)	Median Sales Price	Gap Between Buying Power and Sales Price
<b>Tier I</b>				
Monroe County	\$58,450	\$175,350	\$660,000	\$484,650
Collier County	\$63,300	\$189,900	\$433,000	\$243,100
Palm Beach County	\$62,100	\$186,300	\$396,800	\$210,500
Walton County	\$44,000	\$132,000	\$320,000	\$188,000
Martin County	\$52,450	\$157,350	\$339,900	\$182,550
Miami-Dade County	\$46,350	\$139,050	\$318,000	\$178,950
Broward County	\$58,100	\$174,300	\$330,000	\$155,700
<b>Tier II</b>				
Manatee County	\$55,900	\$167,700	\$306,000	\$138,300
Franklin County	\$35,850	\$107,550	\$233,000	\$125,450
Lee County	\$54,100	\$162,300	\$279,500	\$117,200
St. Johns County	\$57,850	\$173,550	\$289,050	\$115,500
Sarasota County	\$55,900	\$167,700	\$270,000	\$102,300
Seminole County	\$55,100	\$165,300	\$260,000	\$94,700
Orange County	\$55,100	\$165,300	\$260,000	\$94,700
Charlotte County	\$49,150	\$147,450	\$230,000	\$82,550
St. Lucie County	\$52,450	\$157,350	\$237,000	\$79,650
<b>Tier III</b>				
Florida	\$52,550	\$157,650	\$235,000	\$77,350
Sumter County	\$43,800	\$131,400	\$207,200	\$75,800
Hillsborough County	\$52,150	\$156,450	\$230,000	\$73,550
Flagler County	\$48,650	\$145,950	\$215,000	\$69,050
Osceola County	\$55,100	\$165,300	\$230,000	\$64,700
Indian River County	\$53,250	\$159,750	\$223,000	\$63,250
Santa Rosa County	\$50,700	\$152,100	\$214,150	\$62,050
Brevard County	\$54,900	\$164,700	\$226,000	\$61,300
DeSoto County	\$39,950	\$119,850	\$180,250	\$60,400
Pinellas County	\$52,150	\$156,450	\$214,500	\$58,050
Lake County	\$55,100	\$165,300	\$221,250	\$55,950
Volusia County	\$48,650	\$145,950	\$201,500	\$55,550
Bay County	\$49,300	\$147,900	\$202,400	\$54,500
Hendry County	\$40,100	\$120,300	\$169,900	\$49,600
Okaloosa County	\$55,150	\$165,450	\$213,900	\$48,450
Pasco County	\$52,150	\$156,450	\$204,200	\$47,750
Nassau County	\$57,850	\$173,550	\$221,000	\$47,450
Marion County	\$43,100	\$129,300	\$170,000	\$40,700
Citrus County	\$42,050	\$126,150	\$165,000	\$38,850
Levy County	\$35,200	\$105,600	\$144,200	\$38,600
Okeechobee County	\$41,900	\$125,700	\$160,000	\$34,300
Gilchrist County	\$39,800	\$119,400	\$153,500	\$34,100
Alachua County	\$53,550	\$160,650	\$191,000	\$30,350
Polk County	\$47,600	\$142,800	\$172,100	\$29,300
Columbia County	\$41,250	\$123,750	\$152,550	\$28,800
Clay County	\$57,850	\$173,550	\$199,100	\$25,550
Gulf County	\$41,700	\$125,100	\$150,000	\$24,900
Wakulla County	\$51,300	\$153,900	\$178,700	\$24,800
Lafayette County	\$40,300	\$120,900	\$145,000	\$24,100
Jefferson County	\$46,600	\$139,800	\$162,000	\$22,200
Suwannee County	\$39,150	\$117,450	\$139,500	\$22,050
Highlands County	\$46,100	\$138,300	\$159,200	\$20,900
Leon County	\$57,700	\$173,100	\$190,900	\$17,800
Duval County	\$57,850	\$173,550	\$187,500	\$13,950
Hernando County	\$52,150	\$156,450	\$169,500	\$13,050
Glades County	\$41,000	\$123,000	\$134,900	\$11,900
Putnam County	\$41,000	\$123,000	\$131,700	\$8,700
Baker County	\$51,400	\$154,200	\$160,200	\$6,000
Escambia County	\$50,700	\$152,100	\$150,900	-\$1,200
Union County	\$42,700	\$128,100	\$125,400	-\$2,700
Washington County	\$38,400	\$115,200	\$112,500	-\$2,700
Liberty County	\$40,900	\$122,700	\$114,700	-\$8,000
Bradford County	\$45,300	\$135,900	\$125,000	-\$10,900
Jackson County	\$41,900	\$125,700	\$110,000	-\$15,700
Calhoun County	\$37,000	\$111,000	\$92,000	-\$19,000
Madison County	\$37,000	\$111,000	\$91,250	-\$19,750
Hamilton County	\$34,950	\$104,850	\$85,000	-\$19,850
Hardee County	\$37,600	\$112,800	\$92,700	-\$20,100
Dixie County	\$37,900	\$113,700	\$92,500	-\$21,200
Taylor County	\$40,150	\$120,450	\$90,000	-\$30,450
Gadsden County	\$57,700	\$173,100	\$139,000	-\$34,100
Holmes County	\$40,900	\$122,700	\$79,900	-\$42,800

Source: County Property Appraiser data, Florida Department of Revenue, compiled by The Shimborg Center for Affordable Housing

### NOTES:

1. Data cover single family sales by county in 2005 for those properties claiming homestead exemption in the following year.
2. Median incomes are provided by the U.S. Dept of Housing and Urban Development for each year. Median incomes refer to the median income for a family of four by Metropolitan Statistical Area (MSA) or non-MSA county.
3. Buying power assumes the family can obtain a mortgage at today's levels of approximately three times (3x) the amount of a family's income. This assumption is an estimate only and does not take into consideration a family's debt obligations, i.e., it assumes zero debt (maximum buying power).
4. The formula for the gap between buying power and median sales price subtracts buying power (i.e., what the family can afford) from the median sales price to determine how much subsidy a family would need to purchase a median price single family home. Then counties were placed in order from those with the largest gap to those with the smallest gap.
5. Tier I is established by doubling the State of Florida gap of \$77,350; thus, every county with a gap amount above \$154,700 is included in Tier I. Tier II includes those counties with gaps that fall above the State of Florida gap, but below Tier I. Tier III includes all counties with gaps that fall below the State of Florida gap.



**Population Growth as a Percentage Rate of Increase by County,  
2000-2005\* for the CWHIP Program -- DRAFT 9/12/06**

County	Avg. Annual % Change 2000-05*
<b>TIER I</b>	
FLAGLER	9.547%
OSCEOLA	6.366%
WALTON	5.093%
ST. JOHNS	4.973%
COLLIER	4.793%
ST. LUCIE	4.478%
LEE	4.477%
SUMTER	4.475%
LAKE	4.466%
<b>TIER II</b>	
CLAY	3.793%
PASCO	3.327%
MARION	3.082%
ORANGE	3.029%
MANATEE	2.869%
HERNANDO	2.816%
INDIAN RIVER	2.796%
SANTA ROSA	2.760%
NASSAU	2.629%
HILLSBOROUGH	2.500%
SARASOTA	2.447%
CHARLOTTE*	2.432%
SEMINOLE	2.416%
LEON	2.363%
CITRUS	2.329%
PALM BEACH	2.218%
WAKULLA	2.195%
<b>TIER III</b>	
FLORIDA	2.184%
BREVARD	2.180%
POLK	2.155%
VOLUSIA	2.134%
DUVAL	2.017%
MARTIN	1.979%
OKALOOSA	1.887%
ALACHUA	1.862%
SUWANNEE	1.842%
LEVY	1.806%
BAY	1.629%
FRANKLIN	1.410%
BROWARD	1.390%
MIAMI-DADE	1.367%
HIGHLANDS	1.352%
GILCHRIST	1.276%
COLUMBIA	0.836%
PUTNAM	0.807%
WASHINGTON	0.716%
MONROE	0.684%
HENDRY	0.656%
PINELLAS	0.540%
ESCAMBIA	0.449%
TAYLOR	0.429%
DIXIE	0.392%
JEFFERSON	0.282%
OKEECHOBEE	-0.083%
DE SOTO*	-0.121%
GADSDEN	-0.138%
BAKER	-0.289%
MADISON	-0.740%
HARDEE*	-0.750%
CALHOUN	-0.771%
HOLMES	-0.878%
GLADES	-1.147%
JACKSON	-1.443%
GULF	-1.741%
BRADFORD	-1.892%
LAFAYETTE	-2.256%
HAMILTON	-2.908%
LIBERTY	-3.383%
UNION	-5.289%

**NOTES:**


1. For this chart, Tier I was established by doubling the State of Florida percentage change (2.18%), and every county above the doubled percentage (4.36%) is included in Tier I. Tier II includes those counties that fall above the State of Florida percentage change, but below Tier I. Tier III includes all counties that fall below the State of Florida percentage change.

\* This chart uses population data from years 2000 through 2005 to determine average annual percentage rate of change. However, according to a post-hurricane survey carried out by BEBR in 2005, a number of counties lost population between 2004 and 2005 as a result of damage from the 2004 hurricanes. The BEBR survey shows that more than 20% of the population in three counties – Charlotte, DeSoto and Hardee [represented in the chart with an asterisk (\*)] – had not returned to their pre-hurricane homes. To offset this unusual decrease (that will, over time, revert back to historical levels), this chart uses the 2000-2004 average annual percentage change instead of 2000-2005 for just these three counties.



Jose Diez-Arguelles,  
Staff Director F& T






# History of State Funding for Affordable Housing

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House Interim Workgroup on  
Affordable Housing  
September 20, 2006






## Excise Tax on Documents (Documentary Stamp Tax) Chapter 201, Florida Statutes

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- 70 cents/\$100 of consideration on instruments transferring real property (deeds)
- 35 cents/\$100 of value of promissory notes, bonds, or other written obligations to pay money





# William E. Sadowski Affordable Housing Act

## Chapter 92-317, Laws of Florida

- Increased tax on deeds from 60 to 70 cents/\$100 of consideration
- Increased tax on notes from 32 to 35 cents/\$100 of value.
- From 9/1/92 to 6/30/95 -- 7.53% of tax revenues distributed to State Housing Trust Fund and Local Government Housing Trust Fund.
- From 7/1/95 to present -- 16.19% of tax revenues distributed to State Housing Trust Fund (4.8475%) and Local Government Housing Trust Fund (11.3425%)





## Limit on Distributions to Housing Trust Funds

### Chapter 2005-92, Laws of Florida

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- Beginning July 1, 2007 – Transfers to Housing Trust Funds are limited to \$243 million, plus an adjustment for growth



	Total Documentary Stamp Tax Collections (\$ Millions)	% Growth	3 cents Notes & 10 cents Deeds (Estimate) (\$ Millions)	State & Local Housing TF Distributions (\$ Millions)	State Housing TF and Local Govt. Housing TF Appropriations (\$ Millions)	Transfers to Working Capital Fund
1992-93	639.0		77.7	40.8	39.2	
1993-94	774.9	21.3%	94.2	53.2	51.6	
1994-95	695.3	-10.3%	84.5	48.6	50.8	
1995-96	775.2	11.5%	94.3	112.4	112.9	
1996-97	844.2	8.9%	102.6	120.2	131.4	
1997-98	1045.4	23.8%	127.1	155.6	125.1	
1998-99	1185.1	13.4%	144.3	175.9	174.1	
1999-00	1223.5	3.2%	152.2	179.4	189.3	
2000-01	1313.2	7.3%	162.2	194.0	189.5	
2001-02	1572.5	19.7%	189.5	232.0	186.5	12.0
2002-03	2001.5	27.3%	237.0	297.8	249.4	
2003-04	2632.1	31.5%	316.1	392.0	193.0	126.3
2004-05	3365.2	27.9%	412.3	502.2	193.0	220.8
2005-06	3996.2	18.8%	492.5	606.2	442.9	DCA 2.9
2006-07	Estimate 3466.8	-13.2%	428.4	517.8	433.0	
2007-08	Estimate 3414.8	-1.5%	422.1	243.0		



Nancy Muller, Policy  
Director- Florida Housing  
Finance Corporation



# TABLES FROM THE AFFORDABLE HOUSING STUDY COMMISSION FINAL REPORT 2006

**TABLE 1 - When Are AFFORDABILITY PERIODS in Florida's Housing Stock Projected to Expire?**

PROGRAM	Total # Units	Mortgage Already Satisfied <sup>1</sup>	Next 5 Years	Next 10 Years	Next 15 Years	Next 25 Years	Next 35 Years	36+ Years
<b>FEDERALLY ADMINISTERED PROGRAMS</b>								
<b>HUD Programs</b>	<b>52,328</b>	<b>151</b>	<b>1,142</b>	<b>12,553</b>	<b>4,185</b>	<b>13,078</b>	<b>7,953</b>	<b>994</b>
Section 202	24,510	0	205	3,997	3,518	10,310	5,703	777
Section 236	8,025	151	136	7,294	188	0	256	0
Section 811	745	0	0	0	0	0	528	217
Section 221(d)(3) & (4) <sup>2</sup>	7,471	0	801	1,262	479	2,768	1,466	0
Section 8 (project-based) ONLY <sup>3</sup>	11,577							
Rental Assistance (all other HUD types) <sup>4</sup>	16,845							
<i>This rental assistance is generally provided now via 1-5 year contracts to properties</i>								
<b>Rural Development</b>	<b>19,872</b>	<b>1,945</b>	<b>4,131</b>	<b>3,738</b>	<b>5,540</b>	<b>3,814</b>	<b>704</b>	<b>0</b>
Section 514/516	3,934	1,355	865	445	221	816	232	0
Section 515	15,938	590	3,266	3,293	5,319	2,998	472	0
Section 521 (project-based rental assistance)	11,171							
<i>This rental assistance is provided via 4-5 year contracts to properties</i>								
<b>STATE ADMINISTERED PROGRAMS</b>								
	Total # Units	Affordability Period Expired	By 2010	By 2015	By 2020	By 2030	By 2040	After 2040
<b>Florida Housing Finance Corporation<sup>5</sup></b>	<b>155,769</b>	<b>13,567</b>	<b>7,257</b>	<b>755</b>	<b>582</b>	<b>24,878</b>	<b>24,796</b>	<b>83,934</b>
<b>LOCALLY ADMINISTERED PROGRAMS</b>								
	Total # Units	Affordability Period Expired	By 2010	By 2015	By 2020	By 2030	By 2040	After 2040
<b>Local Bonds<sup>6</sup></b>	<b>48,297</b>	<b>40</b>	<b>992</b>	<b>440</b>	<b>52</b>	<b>8,457</b>	<b>12,779</b>	<b>18,847</b>
Minus Duplication (Units supported by more than one program) <sup>7</sup>	-38,592	0	-564	-296	-1,398	-6,682	-9,007	-18,090
<b>TOTAL UNITS EXPIRING OVER TIME<sup>8</sup></b>	<b>237,674</b>	<b>15,703</b>	<b>12,958</b>	<b>17,190</b>	<b>8,961</b>	<b>43,545</b>	<b>37,225</b>	<b>85,685</b>

*Source: Compiled by the Shimberg Center for Affordable Housing and Florida Housing Finance Corporation, 2005 (updated 2006).*



## TABLE 1 - NOTES

<sup>1</sup> “Mortgage already satisfied” means that the mortgage period is complete and the loan has been paid off. These units generally remain part of the affordable housing stock due to the continuing presence of some type of project-based rental assistance.

<sup>2</sup> Mortgage insurance and credit enhancement programs are generally not included here because they simply provide additional support to units financed by the programs listed in this table. The notable exception is the Section 221(d) program in its earlier years, which then provided below market interest rate loans, but now functions solely as a credit enhancement program for bond developments. Note that the unit total for this program includes 695 units with unknown expiration dates. Another 1,954 units also financed through Florida Housing programs are not included in this section, but are included in the Florida Housing unit count later in the table.

<sup>3</sup> In most cases, project-based rental assistance is provided IN ADDITION to some type of mortgage assistance. However, the 11,577 units in this section receive project-based Section 8 alone without any subsidized mortgage or other program assistance. Therefore, their affordability is solely dependent on their Section 8 contracts being renewed, and no attempt is made to show their expiration periods here, for reasons stated in Note #4.

<sup>4</sup> Includes all other HUD project-based rental assistance that is provided in addition to some other type of mortgage or program assistance, including Sections 202, 236, 811, 221(d), 515, Florida Housing, etc. As such, this total adds no additional units to the overall HUD Program unit count, but it does provide perspective on the number of units that are likely serving residents with extremely low incomes. Because most of these contract periods now run five years or less and are typically renewed, no attempt is made to show expiration information over time.

<sup>5</sup> Units financed through all Florida Housing Finance Corporation’s mainstream rental programs are simply summarized here, because so many of these units are funded by more than one program. Table 3. provides a break out of units by program.

<sup>6</sup> The Local Bond total shown includes 6,690 units with no available data to determine expiration. The majority of these units, 6,518, are funded only with Local Bonds.

<sup>7</sup> The duplication total includes 2,383 units that receive project-based Section 8 rental assistance AND programmatic assistance from Florida Housing Finance Corporation. Thus while they are part of the total duplication count, they are not categorized by expiration date in cells to the right of the total. It is likely that these units are in older properties that have been refinanced through Florida Housing programs, maintaining the project-based Section 8 rental assistance on the units.

<sup>8</sup> To obtain the totals at the bottom of the table, the numbers in BOLD are summarized, then duplication from program overlap is accounted for by subtracting units funded by more than one program to get the final totals. The overall total number of units is different from the final sum of the subtotals in each expiration period, because a number of units in the total column are not included in the year columns to the right, as outlined in the notes above. The grand total in this table is less than Table 2., because this table does not include public housing, which is owned by government entities and is part of the affordable housing stock until it is demolished. Tenant-based Housing Choice Vouchers (Section 8), which are generally used in the private market, are not included in either table.



**TABLE 2 - Summary of the Estimated Age of Florida's Affordable Housing Stock, as of 2005<sup>1, 2</sup>**

PROGRAM	Total # Units	1-10 Yrs Old <sup>3</sup>	11-20 Yrs Old	21-30 Yrs Old	31-40 Yrs Old	Over 40 Yrs Old
HUD Programs	52,328	3,174	9,061	25,552	13,846	0
Public Housing <sup>4</sup>	38,827	1,033	996	9,336	14,515	12,302
Rural Development Programs	19,872	1,162	8,697	8,068	1,231	714
Florida Housing Finance Corporation Programs <sup>5</sup>	155,769	110,191	42,479	3,099	0	0
Local Bonds <sup>6</sup>	48,297	31,131	3,067	4,649	2,946	108
Minus Duplication (Units supported by more than one program) <sup>7</sup>	-38,592	-28,801	-4,848	-1,066	-1,359	0
<b>TOTAL</b>	<b>276,501</b>	<b>117,890</b>	<b>59,452</b>	<b>49,638</b>	<b>31,179</b>	<b>13,124</b>

*Source: Compiled by the Shimberg Center for Affordable Housing and Florida Housing Finance Corporation, 2005 (updated 2006).*

#### TABLE 2 - NOTES

<sup>1</sup> Unit age had to be estimated for HUD and Rural Development units based on the date of mortgage satisfaction. The HUD program category includes 11,577 units of project-based Section 8 rent assistance with no other subsidy/program attached. Without mortgage term information, age of these units was estimated to be 21-30 years based on the program's run in the late 1970s-early 1980s. Over 2,800 of these Section 8 units appear to have been rehabilitated using Florida Housing programs, maintaining the Section 8 rent assistance into the future. Ages for another 695 units could not be estimated.

<sup>2</sup> While this table estimates the overall age of Florida's affordable housing stock, the table does not provide any sense of how many units in each age category have been rehabilitated since they were originally constructed.

<sup>3</sup> The "1-10 Yrs Old" column includes units funded through 2004, but not yet constructed.

<sup>4</sup> The Public Housing unit total includes 595 units of unknown age. HUD estimates that 1,668 of these units have been or are in the process of being rehabilitated with HOPE VI funds.

<sup>5</sup> Age information in the Florida Housing Finance Corporation portfolio is based on when a property was awarded funding, so if a property has received funding in more recent years for rehabilitation or refinancing of Bonds, the data will show the more recent funding rather than the original date of construction. As a result, the portfolio as a whole looks younger than it is. It is reasonable to assume that there are properties older than 30 years, and more properties are in the 21-30 year category than is shown by the data. However, the FHFC portfolio is still relatively young when compared to the federal portfolios.

<sup>6</sup> The Local Bond unit total includes 6,396 units with no available data to determine aging. All of these units were financed using Local Bonds only, suggesting that they are 15-25 years old, but this estimate is not included in the 10-year subtotals.

<sup>7</sup> The duplication table includes 2,518 properties of indeterminate age.



**TABLE 3 - When Are AFFORDABILITY PERIODS in Florida Housing's Portfolio Projected to Expire?**

STATE ADMINISTERED PROGRAMS	Total # Units	Affordability Period Expired	By 2010	By 2015	By 2020	By 2030	By 2040	After 2040
Florida Housing Finance Corporation <sup>1</sup>	155,769	13,567	7,257	755	582	24,878	24,796	83,934
9% HOUSING CREDITS	61,353	687	3,359	270	0	15,008	78	41,951
4% HOUSING CREDITS	50,797	388	334	320	568	8,310	21,657	19,220
SAIL	47,095	0	1,242	305	17	2,079	128	43,324
HOME	6,704	0	883	142	82	442	0	5,155
MMRB	40,476	12,492	2,865	88	363	8,256	9,324	7,088

Source: Compiled by Florida Housing Finance Corporation, 2005.

**TABLE 3 - NOTE**

<sup>1</sup> The total unit count of 155,769 represents the total number of units in Florida Housing Finance Corporation's portfolio that are set aside to be affordable. The total portfolio, including unrestricted, market rate units, equals 166,131 units. The sum of the totals in each program category is overall greater than the totals in the Florida Housing category at the top of the table, because programs are often layered together to finance affordable developments.

**TABLE 4 - Summary of the Estimated Age of Florida Housing's Affordable Housing Portfolio**

PROGRAM	Total # Units	1-10 Yrs Old3	11-20 Yrs Old	21-30 Yrs Old	31-40 Yrs Old	Over 40 Yrs Old
9 % Housing Credits	61,353	34,874	26,479	0	0	0
4% Housing Credits	50,797	50,106	691	0	0	0
SAIL	47,095	40,188	6,907	0	0	0
HOME	6,704	3,919	2,785	0	0	0
MMRB	40,476	25,039	12,338	3,099	0	0
<b>SUMMARY OF ENTIRE FHFC PORTFOLIO AGE (UNDUPLICATED)</b>	<b>155,769</b>	<b>110,191</b>	<b>42,479</b>	<b>3,099</b>	<b>0</b>	<b>0</b>

Source: Compiled by the Shimberg Center for Affordable Housing and Florida Housing Finance Corporation, 2005.

**TABLE 4 - NOTE**

This age information is based on when the property was awarded funding, so if a property came in for rehabilitation or Bond refinancing, the data will show the more recent funding rather than the original date of construction. As a result, it is reasonable to assume that there are properties older than 30 years, and more properties are in the 21-30 year category than are shown by the data. However, the Florida Housing portfolio is still relatively young when compared to the federal portfolios







# House Interim Workgroup on Affordable Housing

History of Sadowski Act and  
Florida's Housing Funding Policy

Presentation by Mark Hendrickson  
September 20, 2006



# Florida's Housing Policy 1980:

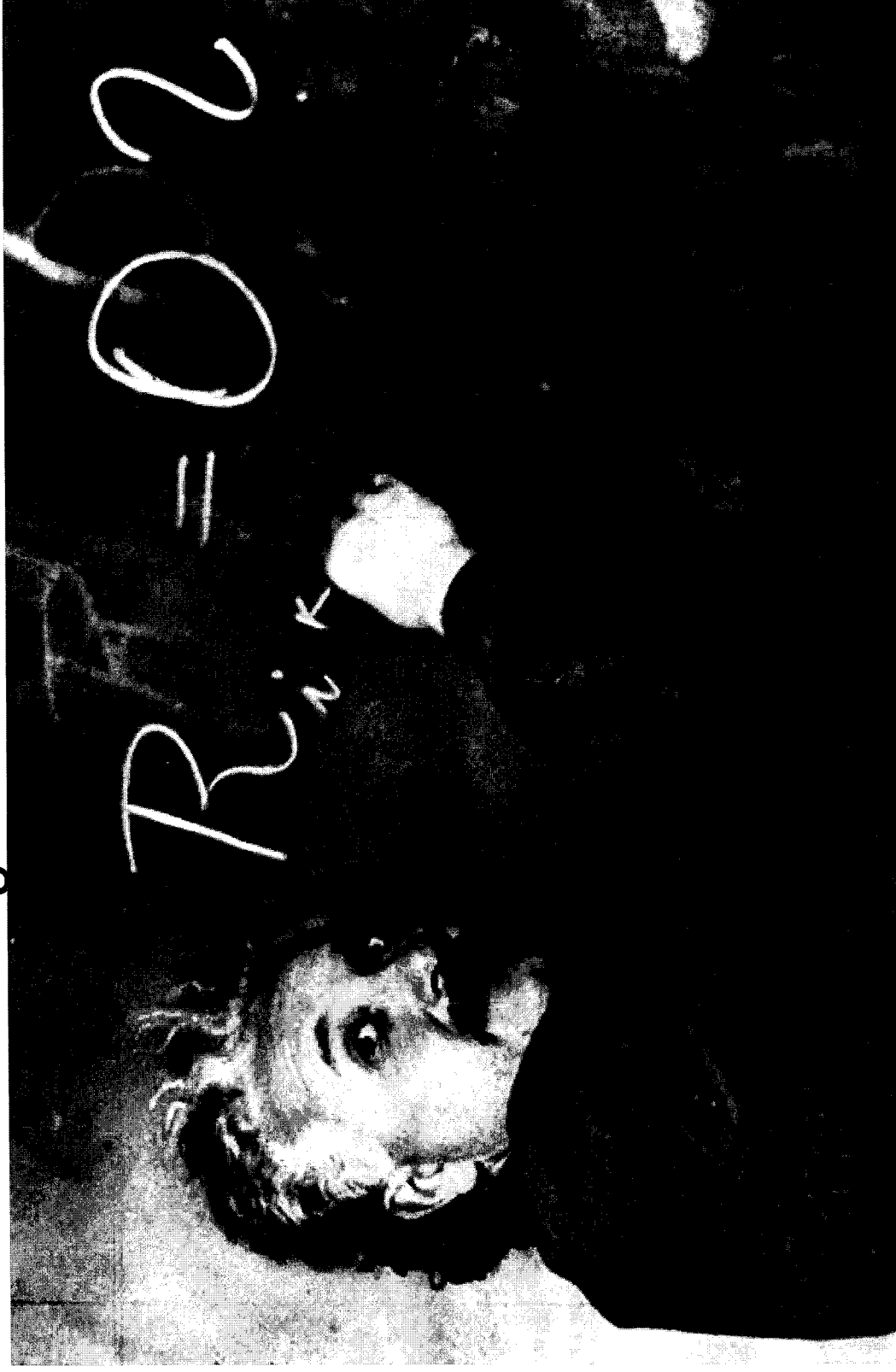
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Thank God for Mississippi or  
We Would Be 50<sup>th</sup>



## The Sadowski Act Plan:

Housing Costs Increase→  
Doc Stamp Revenue Increase→  
Housing Trust Funds Increase





# Sadowski Act- 1992

- Increased Doc Stamp by 10 cents per \$100, with legislative and industry group support conditioned upon use of this tax increase for housing
- Transferred another 10 cents to housing beginning in 1995 (earlier doc stamp increase that was “for” housing without being legally dedicated)
- Passed with bipartisan support, overwhelming majority of both Republicans and Democrats voting for bill
- Split 70% to Local, 30% to State
- Recognized need for both rental and homeownership programs, with state taking lead on rental, locals on homeownership



# Sadowski/Workforce Housing Coalition Today



FLORIDA ASSOCIATION  
OF REALTORS®



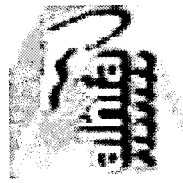
FLORIDA BANKERS ASSOCIATION



FLORIDA  
CHAMBER  
of Commerce

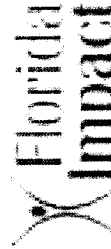


FLORIDA HOME  
BUILDERS  
ASSOCIATION



United Way

Florida Legal  
Services, Inc.



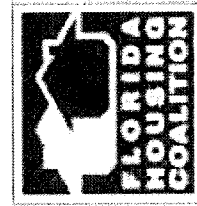
Advancing Communities  
Through Education and Diversity



Florida Catholic  
Conference



FLORIDA  
COUNTIES



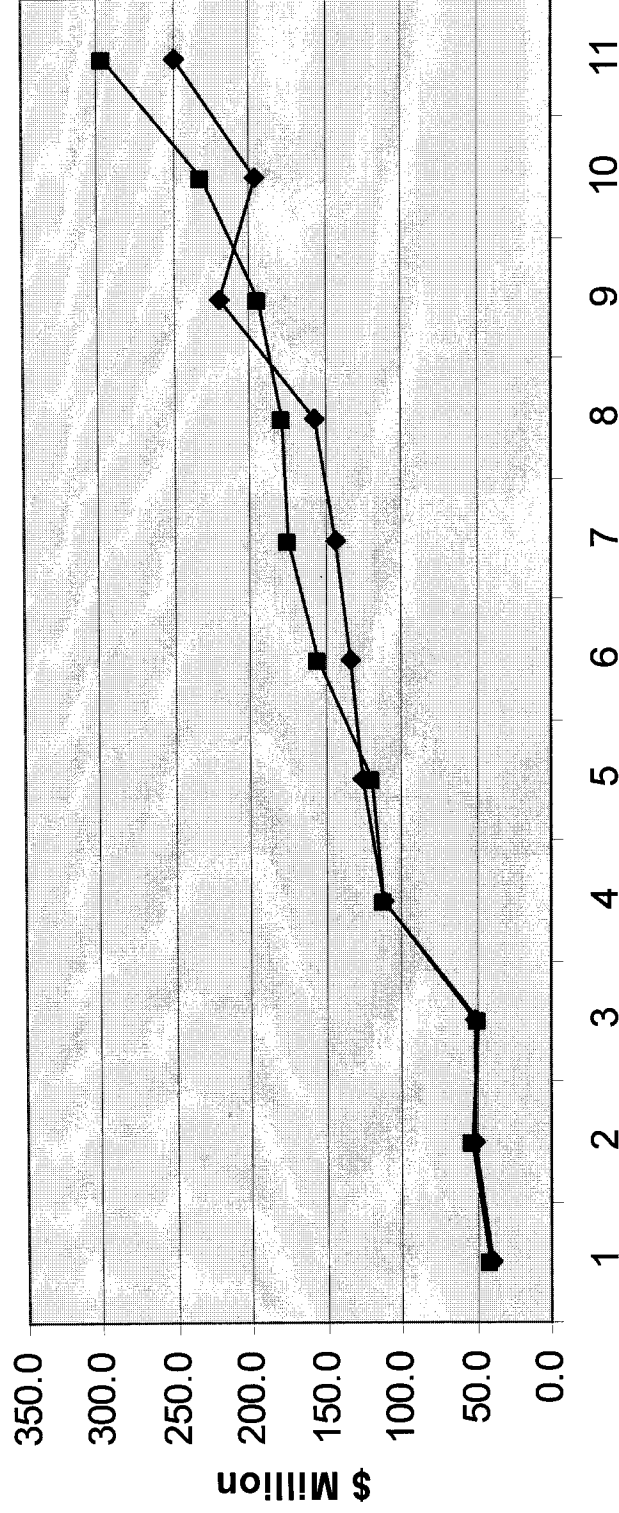
FLORIDA LEAGUE OF CITIES, INC.



FLORIDA ASSOCIATION OF HOMELESS RESIDENTS AND OWNERS



# Full Funding: FY92-93 through FY02-03

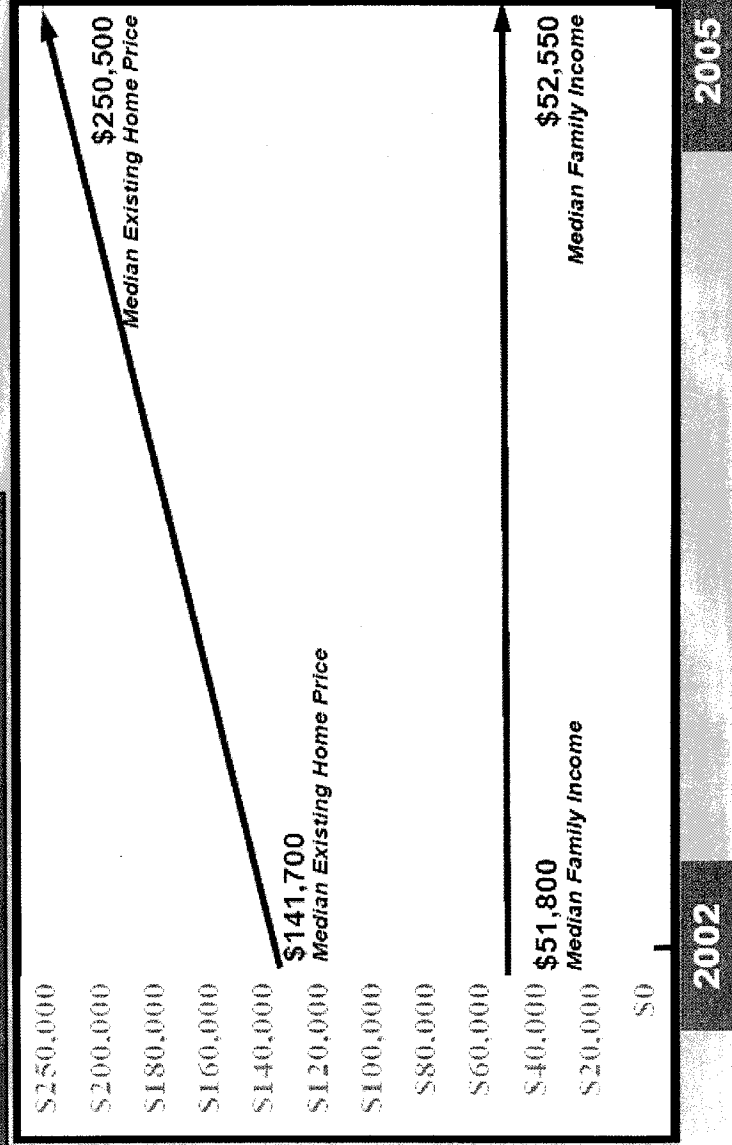


**Appropriations vs. Doc Stamp Distributions  
to Housing Trust Funds:  
FY92-03 to FY02-03**



# 2002-2005 Housing Costs Explode Massive Increase in Subsidy Needed

Median Sales Price, Single-Family, Existing Homes  
& Median Family Income Comparison  
2002 vs. 2005



\* HUD 2002-2005 Median Family Incomes for Florida  
\* Median Existing Home Prices from the Florida Association of Realtors



# FY05-06 and FY06-07: Need Drives Funding Up

Program with Funding Level from State and Local Housing Trust Funds	FY05-06	FY06-07
Total Available for Appropriation		\$940,000,000
Florida Housing (SAIL, HAP, PLP, Catalyst Training & Technical Assistance, & Guaranty Fund)	\$55,906,623	\$70,500,000
SHIP	\$130,886,000	\$166,400,000
SHIP Monitoring	\$200,000	\$200,000
Homeless	\$5,900,000	\$7,900,000
Hurricane Recovery (various)	\$250,000,000	\$108,000,000
CWHIP		\$50,000,000
Extremely Low Income (ELI)		\$30,000,000
TOTAL APPROPRIATED	\$442,892,623	\$433,000,000
TRUST FUND MONIES NOT APPROPRIATED		\$507,000,000



## **FY06-07 and Beyond: Needs Increase and Broaden**

- Ongoing Successful Programs- SAIL, HAP, Catalyst, and SHIP
- Workforce Housing
- Extremely Low Income
- Hurricanes
- Total Needs Well Over \$500 million per year
- Housing Trust Funds Barely Meet Needs



## **FY07-08: Housing Trust Funds Capped at \$243 Million Per Year**

- Projected Doc Stamps to Housing Trust Funds over \$500 million without cap
- Need: Over \$500 million
- Cap: \$243 million
- The result    ---->    ---->    ---->    ---->    ---->



FY07-08

CAP = TRAIN WRECK

